

Notice of Competitive Lease Sale Oil and Gas

The Bureau of Land Management, Eastern States, is pleased to announce that we will offer for competitive sale certain Federal lands in Alabama, Arkansas, Florida, Louisiana, Mississippi and West Virginia for oil and gas leasing. This notice describes–

1. the time and place of the auction,
2. how to register for and participate in the bidding process,
3. the conditions of the auction,
4. how to file a pre-sale noncompetitive offer, and
5. how to file a noncompetitive offer after the auction.

When and where will the auction take place?

When: The competitive oral auction will begin at **10:00 a.m. on March 20, 2003**. The sale room will open one hour earlier to allow you to register and get your bidding number.

Where: We will hold the auction at the BLM, Eastern States, 7450 Boston Boulevard, Springfield, Virginia 22153. Parking is available at the sale site.

Access: The auction room is accessible to persons with disabilities. If you need an auxiliary aid or service to participate in the auction, such as a sign language interpreter or materials in an alternate format, please contact Gina Goodwin at (703) 440-1534 by **February 20, 2003**.

How do I register as a bidder?

You have to register and get a bidding number to participate in the sale. A Bidder Registration Form is included in this package. We will have copies available at the auction site. We will begin registering bidders at 9:00 a.m. on the day of the sale

How do I participate in the bidding process?

The auctioneer will offer the parcels on the list attached to this notice in number order. Only registered bidders may make oral bids. All bids are on a per-acre basis for the entire acreage in the parcel. The winning bid will be the highest oral bid equal to or exceeding the minimum acceptable bid. The decision of the auctioneer is final.

The minimum acceptable bid is \$2 per acre or fraction thereof. If the parcel has fractional acreage, round it up to the next whole acre. For example, a parcel of 100.5 acres requires a minimum bid of \$202 (\$2 x 101 acres). After the auctioneer has offered all parcels, you may request that any unsold parcel be re-offered.

What are the terms and conditions of a lease issued as a result of this sale?

6. **Term of the lease:** A lease is issued for a primary term of 10 years. It continues beyond that if it has production in paying quantities. We charge a royalty of 12.5 percent of the value of oil or gas removed or sold from a lease. You will find other lease terms on our standard lease form (Form 3100-11, June 1988 or later editions).

7. **Stipulations:** Some parcels are subject to surface use stipulations. They are requirements or restrictions on how you conduct operations. These stipulations are included in the parcel descriptions on the attached list. They become part of the lease and supercede any inconsistent provisions in the lease form.

What are the terms of the sale?

8. **Withdrawal:** We reserve the right to withdraw any or all parcels from the sale before the auction begins. If we withdraw any parcels, we will post a notice in the Public Room at the Eastern States Office. You may also get the numbers of withdrawn parcels by contacting Gina Goodwin at (703) 440-1534. If we cancel the sale, we will try to notify all interested parties in advance.

9. **Payment:** You cannot withdraw your bid; it is a legally binding commitment to sign the lease bid form; accept the lease; and pay on the day of the auction the bonus bid, the first year's rent, and an administrative fee. The bonus bid is a deposit of at least \$2.00 per acre or fraction thereof. The first year's rent is \$1.50 per acre or fraction thereof. The administrative fee is \$75 per parcel.

You must pay minimum bonus, first year's rental and administrative fee by 4:30 p.m., at the Eastern States accounting office. You may pay the entire amount of your bid on the day of the auction, but if you don't, **you must pay the balance by April 4, 2003**, which is the 10th working day following the auction. If you don't pay in full by this date, you forfeit the right to the lease and all money you have paid us. If you forfeit a parcel, we may offer it for sale at a later auction.

10. **Form of payment:** You can pay by personal check, certified check, money order, or credit card (VISA, MASTERCARD, AMERICAN EXPRESS, OR DISCOVER). Make a check payable to: **Department of the Interior–BLM**. We don't accept cash. If a check you have sent us in the past has bounced (been returned for insufficient funds), we will require that you give us a guaranteed payment, such as a certified check.

11. **Bid form:** Successful bidders must submit a signed competitive lease bid form (Form 3000-2, Oct. 1989) with their payment on the day of the auction. This form is a legally binding offer by a prospective lessee to accept a lease and all applicable terms and conditions. We recommend you get the form and complete part of it before the auction, leaving part to be filled out at the auction. Your completed bid form certifies that you are qualified to be a lessee under our regulations at 43 CFR Part 12 and Subpart 3102.5-2. It also certifies that you comply with 18 U.S.C. 1860, a law prohibiting unlawful combinations, intimidation of or collusion among bidders.

12. **Issuance of a lease:** We (the BLM) will issue your lease within 60 days of the sale date by signing the lease form provided you have paid your fees and rent. The effective date of a lease is the first day of the month following the month in which we sign the lease. We can make it effective the first day of the month in which we sign it, if we receive your written request before we sign the lease.

How do I file a noncompetitive pre-sale offer?

Under our regulations at 43 CFR 3110.1(a), you can file a noncompetitive pre-sale offer for lands that –

- 13. are available,
- 14. have not been under lease during the previous one-year period; or
- 15. have not been included in a competitive lease sale within the previous two-year period.

If no bid is received on them, your pre-sale offer gives you priority over any offer filed after the auction. In the list of parcels attached to this notice, we have used an asterisk to mark any parcel that has a pending pre-sale offer. By filing a pre-sale offer, you are consenting to all terms and conditions of the lease, including any stipulations for listed on the attachment to this notice.

To file a pre-sale offer, you must send us --:

- 16. a standard lease form (Form 3100-11, June 1988 or later edition), which is properly filled out, as required by the regulations under 43 CFR 3110. (**Note: You must copy both sides of the form on one page. If you copy the form on 2 pages, we will reject your offer. We will also reject offers on obsolete lease forms.**);
- 17. the first year's advance rent in the amount of \$1.50 per acre or fraction thereof; and
- 18. a nonrefundable administrative fee in the amount of \$75.

NOTE: You cannot file a pre-sale offer for any lands included in the parcel list attached to this notice.

How do I file a noncompetitive offer after the auction?

You may be able to get a noncompetitive lease for a parcel we offered if –

19. we did not withdraw it from the sale;
20. it did not receive a bid; and
21. it does not have a noncompetitive pre-sale offer pending.

Parcels that meet all these criteria are available on a first-come, first-served basis for two years from the date of the auction. If you want to file a noncompetitive offer for an unsold parcel immediately after the sale or on the next business day, give us the items listed above under pre-sale offers in a sealed envelope marked "Noncompetitive Offer." We will provide drop boxes at the auction and at the Eastern States accounting office. We consider all noncompetitive offers that we receive on the day of the sale and the first business day after the sale as filed at the same time (simultaneously). Where an unsold parcel receives more than one simultaneous filing, we will hold a public drawing to determine who will get the lease.

When is the next sale scheduled?

The next sale is tentatively scheduled for June 19, 2003.

Who should I contact if I have a question?

For more information, contact Gina Goodwin at (703) 440-1534.

/s/ Ida V. Doup

Ida V. Doup
Chief, Branch of Use Authorization
Division of Resources Planning, Use
and Protection

HOTEL INFORMATION

Springfield Hilton
Holiday Inn
6550 Loisdale Court 6401
Brandon Avenue
Springfield, Virginia
Springfield, Virginia
(703) 971-8900 (703)
644-5555

Best Western Days
Inn
6560 Loisdale Court 6721
Commerce Street
Springfield, Virginia
Springfield, Virginia
(703) 922-9000 (703)
922-6100

Ramada Plaza Hotel
4641 Kenmore Avenue
Alexandria, Virginia
(703) 751-4510
Hotel shuttle to National Airport and Metro Subway

From Washington, DC, take I-395 South through the Springfield Interchange to where I-395 becomes I-95. Continue on I-95 to Backlick/Fullerton Road Exit 167. At the light turn right onto Fullerton Road. At the third light, turn left onto Boston Boulevard (COSTCO to the left). Eastern States is approximately .3 miles on the right.

INTENTIONALLY BLANK

**PLEASE COMPLETE ONE FORM FOR EACH COMPANY AND/OR
INDIVIDUAL YOU ARE REPRESENTING AND BRING TO THE SALE
LOCATION TO SPEED PROCESSING OF REGISTRATION**

REGISTRATION FORM

BIDDER N

NAME:

BUSINESS PHONE:

BUSINESS ADDRESS:

CITY: _____

STATE: _____ ZIP
CODE: _____

**THE LESSEE MUST BE QUALIFIED TO HOLD
A FEDERAL OIL AND GAS LEASE**

SIGNATURE

A COPY OF THE LEASE AND ALL BILLING NOTICES WILL BE SENT TO THE
NAME AND ADDRESS OF THE LESSEE AS SHOWN ON FORM 3000-2 (BID
FORM).

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
OFFER TO LEASE AND LEASE FOR OIL AND GAS

SERIAL NO.

The undersigned (reverse) offers to lease all or any of the lands in Item 2 that are available for lease pursuant to the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Attorney General's Opinion of April 2, 1941 (40 Op. Atty. Gen. 41), or the

READ INSTRUCTIONS BEFORE COMPLETING

1. Name

Street

City, State, Zip Code

2. This application/offer/lease is for: (Check only One) ☐ PUBLIC DOMAIN ☐ ACQUIRED LANDS

Surface managing agency if other than BLM: _____ Unit/Project _____

Legal description of land requested:

***SEE ITEM 2 IN INSTRUCTIONS BELOW PRIOR TO COMPLETING PARCEL NUMBER AND SALE DATE.**

T.

R.

Amount remitted: Filing fee \$ _____ Rental fee \$ _____ Total \$ _____ Total acres applied for _____

DO NOT WRITE BELOW THIS LINE

3. Land included in lease:

T.

R.

Meridian

State

Total acres in lease _____

Rental retained \$ _____

This lease is issued granting the exclusive right to drill for, mine, extract, remove and dispose of all the oil and gas (*except helium*) in the lands described in Item 3 together with the right to build and maintain necessary improvements thereupon for the term indicated below, subject to removal or extension in accordance with the appropriate leasing authority. Rights granted are subject to applicable laws, the terms, conditions, and attached stipulations of this lease, the Secretary of the Interior's regulations and formal orders in effect as of lease issuance, and to regulations and formal orders hereafter promulgated when not inconsistent with lease rights granted or specific provisions of this lease.

NOTE: This lease is issued to the high bidder pursuant to his/her duly executed bid or nomination form submitted under 43 CFR 3120 and is subject to the provisions of that bid or nomination and those specified on this form.

Type and primary term of the lease: _____ THE
UNITED STATES OF AMERICA

☐ Noncompetitive lease (ten years)

by _____

(Signing Officer)

☐ Competitive lease (ten years)

(Title)

(Date)

G Other _____

EFFECTIV

(Continued on reverse)

4. (a) Undersigned certifies that (1) offeror is a citizen of the United States; an association of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) all parties holding an interest in the offer are in compliance with 43 CFR 3100 and the leasing authorities; (3) offeror's chargeable interests, direct and indirect, in each public domain and acquired lands separately in the same State, do not exceed 246,080 acres in oil and gas leases (of which up to 200,000 acres may be in oil and gas options), or 300,000 acres in leases in each leasing District in Alaska of which up to 200,000 acres may be in options; (4) offeror is not considered a minor under the laws of the State in which the lands covered by this offer are located; (5) offeror is in compliance with qualifications concerning Federal coal lease holdings provided in sec. 2(a)(2)(A) of the Mineral Leasing Act; (6) offeror is in compliance with reclamation requirements for all Federal oil and gas lease holdings as required by sec. 17(g) of the Mineral Leasing Act; and (7) offeror is not in violation of sec. 41 of the Act.

(b) Undersigned agrees that signature to this offer constitutes acceptance of this lease, including all terms, conditions, and stipulations of which offeror has been given notice, and any amendment or separate lease that may include any land described in this offer open to leasing at the time this offer was filed but omitted for any reason from this lease. The offeror further agrees that this offer cannot be withdrawn, either in whole or in part, unless the withdrawal is received by the proper BLM State Office before this lease, an amendment to this lease, or a separate lease, whichever covers the land described in the withdrawal, has been signed on behalf of the United States.

This offer will be rejected and will afford offeror no priority if it is not properly completed and executed in accordance with the regulations, or if it is not accompanied by the required payments. 18 U.S.C. Sec. 1001 makes it a crime for any person knowingly and willfully to make to any Department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Duly executed this _____ day of _____, 19 _____.

(Signature of Lessee or Attorney-in-fact)

LEASE TERMS

Sec. 1. Rentals - Rentals shall be paid to proper office of lessor in advance of each lease year.

Annual rental rates per acre or fraction thereof are:

(a) Noncompetitive lease, \$1.50 for the first 5 years; thereafter \$2.00;

(b) Competitive lease, \$1.50; for the first 5 years; thereafter \$2.00;

(c) Other, see attachment, or

as specified in regulations at the time this lease is issued.

If this lease or a portion thereof is committed to an approved cooperative or unit plan which includes a well capable of producing leased resources, and the plan contains a provision for allocation of production, royalties shall be paid on the production allocated to this lease. However, annual rentals shall continue to be due at the rate specified in (a), (b), or (c) for those lands not within a participating area.

Failure to pay annual rental, if due, on or before the anniversary date of this lease (or next official working day if office is closed) shall automatically terminate this lease by operation of law. Rentals may be waived, reduced, or suspended by the Secretary upon a sufficient showing by lessee.

Sec. 2. Royalties - Royalties shall be paid to proper office of lessor. Royalties shall be computed in accordance with regulations on production removed or sold. Royalty rates are:

(a) Noncompetitive lease, 12 1/2%;

(b) Competitive lease, 12 1/2%;

(c) Other, see attachment; or

as specified in regulations at the time this lease is issued.

Lessor reserves the right to specify whether royalty is to be paid in value or in kind, and the right to establish reasonable minimum values on products after giving lessee notice and an opportunity to be heard. When paid in value, royalties shall be due and payable on the last day of the month following the month in which production occurred. When paid in kind, production shall be delivered, unless otherwise agreed to by lessor, in merchantable condition on the premises where produced without cost to lessor. Lessee shall not be required to hold such production in storage beyond the last day of the month following the month in which production occurred, nor shall lessee be held liable for loss or destruction of royalty oil or other products in storage from causes beyond the reasonable control of lessee.

Minimum royalty in lieu of rental of not less than the rental which otherwise would be required for that lease year shall be payable at the end of each lease year beginning on or after a discovery in paying quantities. This minimum royalty may be waived, suspended, or reduced, and the above royalty rates may be reduced, for all or portions of this lease if the Secretary determines that such action is necessary to encourage the greatest ultimate recovery of the leased resources, or is otherwise justified.

An interest charge shall be assessed on late royalty payments or underpayments in accordance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA) (30 U.S.C. 1701). Lessee shall be liable for royalty payments on oil and gas lost or wasted from a lease site when such loss or waste is due to negligence on the part of the operator, or due to the failure to comply with any rule, regulation, order, or citation issued under FOGRMA or the leasing authority.

Sec. 3. Bonds - A bond shall be filed and maintained for lease operations as required under regulations.

Sec. 4. Diligence, rate of development, unitization, and drainage - Lessee shall exercise reasonable diligence in developing and producing, and shall prevent unnecessary damage to, loss of, or waste of leased resources. Lessor reserves right to specify rates of development and production in the public interest and to require lessee to subscribe to a cooperative or unit plan, within 30 days of notice, if deemed necessary for proper development and operation of area, field, or pool embracing these leased lands. Lessee shall drill and produce wells necessary to protect leased lands from drainage or pay compensatory royalty for drainage in amount determined by lessor.

Sec. 5. Documents, evidence, and inspection - Lessee shall file with proper office of lessor, not later than 30 days after effective date thereof, any contract or evidence of other arrangement for sale or disposal of production. At such times and in such form as lessor may prescribe, lessee shall furnish detailed statements showing amounts and quality of all products removed and sold, proceeds therefrom, and amount used for production purposes or unavoidably lost. Lessee may be required to provide plats and schematic diagrams showing development work and improvements, and reports with respect to parties in interest, expenditures, and depreciation costs. In the form prescribed by lessor, lessee shall keep a daily drilling record, a log, information on well surveys and tests, and a record of subsurface investigations and furnish copies to lessor when required. Lessee shall keep open at all reasonable times for inspection by any authorized officer of lessor, the leased premises and all wells, improvements, machinery, and fixtures thereon, and all books, accounts, maps, and records relative to operations, surveys, or investigations on or in the leased lands. Lessee shall maintain copies of all contracts, sales agreements, accounting records, and documentation such as billings, invoices, or similar documentation that supports costs claimed as manufacturing, preparation, and/or transportation costs. All such records shall be maintained in lessee's accounting offices for future audit by lessor. Lessee shall maintain required records for 6 years after they are generated or, if an audit or investigation is underway, until released of the obligation to maintain such records by lessor. During existence of this lease, information obtained under this section shall be closed to inspection by the public in accordance with the Freedom of Information Act (5 U.S.C. 552).

Sec. 6. Conduct of operations - Lessee shall conduct operations in a manner that minimizes adverse impacts to the land, air, and water, to cultural, biological, visual, and other resources, and to other land uses or users. Lessee shall take reasonable measures deemed necessary by lessor to accomplish the intent of this section. To the extent consistent with lease rights granted, such measures may include, but are not limited to, modification to siting or design of facilities, timing of operations, and specification of interim and final reclamation measures. Lessor reserves the right to continue existing uses and to authorize future uses upon or in the leased lands, including the approval of easements or rights-of-way. Such uses shall be conditioned so as to prevent unnecessary or unreasonable interference with rights of lessee.

Prior to disturbing the surface of the leased lands, lessee shall contact lessor to be apprised of procedures to be followed and modifications or reclamation measures that may be necessary.

Areas to be disturbed may require inventories or special studies to determine the extent of impacts to other resources. Lessee may be required to complete minor inventories or short term special studies under guidelines provided by lessor. If in the conduct of operations, threatened or endangered species, objects of historic or scientific interest, or substantial unanticipated environmental effects are observed, lessee shall immediately contact lessor. Lessee shall cease any operations that would result in the destruction of such species or objects.

Sec. 7. Mining operations - To the extent that impacts from mining operations would be substantially different or greater than those associated with normal drilling operations, lessor reserves the right to deny approval of such operations.

Sec. 8. Extraction of helium - Lessor reserves the option of extracting or having helium from gas production in a manner specified and by means provided by lessor at no expense or loss to lessee or owner of the gas. Lessee shall include in any contract of sale of gas the provisions of this section.

Sec. 9. Damages to property - Lessee shall pay lessor for damage to lessor's improvements, and shall save and hold lessor harmless from all claims for damage or harm to persons or property as a result of lease operations.

Sec. 10. Protection of diverse interests and equal opportunity - Lessee shall: pay when due all taxes legally assessed and levied under laws of the State or the United States; accord all employees complete freedom of purchase; pay all wages at least twice each month in lawful money of the United States; maintain a safe working environment in accordance with standard industry practices; and take measures necessary to protect the health and safety of the public.

Lessor reserves the right to ensure that production is sold at reasonable prices and to prevent monopoly. If lessee operates a pipeline, or owns controlling interest in a pipeline or a company operating a pipeline, which may be operated accessible to oil derived from these leased lands, lessee shall comply with section 28 of the Mineral Leasing Act of 1920.

Lessee shall comply with Executive Order No. 11246 of September 24, 1965, as amended, and regulations and relevant orders of the Secretary of Labor issued pursuant thereto. Neither lessee nor lessee's subcontractors shall maintain segregated facilities.

Sec. 11. Transfer of lease interests and relinquishment of lease - As required by regulations, lessee shall file with lessor any assignment or other transfer of an interest in this lease. Lessee may relinquish this lease or any legal subdivision by filing in the proper office a written relinquishment, which shall be effective as of the date of filing, subject to the continued obligation of the lessee and surety to pay all accrued rentals and royalties.

Sec. 12. Delivery of premises - At such time as all or portions of this lease are returned to lessor, lessee shall place affected wells in condition for suspension or abandonment, reclaim the land as specified by lessor and, within a reasonable period of time, remove equipment and improvements not deemed necessary by lessor for preservation of producible wells.

Sec. 13. Proceedings in case of default - If lessee fails to comply with any provisions of this lease, and the noncompliance continues for 30 days after written notice thereof, this lease shall be subject to cancellation unless or until the leasehold contains a well capable of production of oil or gas in paying quantities, or the lease is committed to an approved cooperative or unit plan or communitization agreement which contains a well capable of production of unitized substances in paying quantities. This provision shall not be construed to prevent the exercise by lessor of any other legal and equitable remedy, including waiver of the default. Any such remedy or waiver shall not prevent later cancellation for the same default occurring at any other time. Lessee shall be subject to applicable provisions and penalties of FOGRMA (30 U.S.C. 1701).

Sec. 14. Heirs and successors-in-interest - Each obligation of this lease shall extend to and be binding upon, and every benefit hereof shall inure to the heirs, executors, administrators, successors, beneficiaries, or assignees of the respective parties hereto.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

COMPETITIVE OIL AND GAS OR
GEOTHERMAL RESOURCES LEASE BID
30 U.S.C. 181 ET SEQ.; 30 U.S.C. 351-359;
30 U.S.C. 1001-1025; 42 U.S.C. 6508

FORM APPROVED
OMB NO. 1004-0074
Expires: April 30, 1994

State

Date of Sale

PARCEL NUMBER

AMOUNT OF BID (See Instructions Below)

TOTAL BID

WITH BID PAYMENT SUBMITTED

THE BID IS FOR (Check one):

G Oil and Gas Parcel Number _____

G Geothermal Parcel Number _____
Name of Known Geothermal Resource Area (KGRA)

The appropriate regulations applicable to this bid are: (1) for oil and gas lease - 43 CFR 3120; (2) for National Petroleum Reserve-Alaska (NPR-A) leases - 43 CFR 3132; and (3) for Geothermal resources leases - 43 CFR 3220. (See details concerning lease qualifications on reverse.)

I CERTIFY THAT I have read and am in compliance with, and not in violation of, the lessee qualification requirements under the applicable regulations for this bid.

I CERTIFY THAT this bid is not in violation of 18 U.S.C. 1860 which prohibits unlawful combination or intimidation of bidders. I further certify that this bid was arrived at independently and is tendered without collusion with any other bidder for the purpose of restricting competition.

IMPORTANT NOTICE: Execution of this form, where the offer is the high bid, constitutes a binding lease offer, including all applicable terms and conditions. Failure to comply with the applicable laws and regulations under which this bid is made shall result in rejection of the bid and forfeiture of all monies submitted.

Print or Type Name of Lessee

Signature of Lessee or Bidder

Address of Lessee

City State Zip Code

INSTRUCTIONS

INSTRUCTIONS FOR OIL AND GAS BID
(Except NPR-A)

INSTRUCTIONS FOR GEOTHERMAL OR
NPR-A OIL AND GAS BID

1. Separate bid for each parcel is required. Identify parcel by the parcel number assigned in the *Notice of Competitive Lease Sale*.
2. Bid must be accompanied by the national minimum acceptable bid, the first year's rental and the administrative fee. The remittance must be in the form specified in 43 CFR 3103.1-1. The remainder of the bonus bid, if any, must be submitted to the proper BLM office within 10 working days after the last day of the oral auction. Failure to submit the remainder of the bonus bid within 10 working days will result in rejection of the bid offer and forfeiture of all monies paid.
3. If bidder is not the sole party in interest in the lease for which the bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.
4. This bid may be executed (*signed*) before the oral auction. If signed before the oral auction, this form cannot be modified without being executed again.
5. In view of the above requirement (4), bidder may wish to leave AMOUNT OF BID section blank so that final bid amount may be either completed by the bidder or the Bureau of Land Management at the oral auction.

1. Separate bid for each parcel is required. Identify parcel by number assigned to a tract.
2. Bid must be accompanied by one-fifth of the total amount of bid. The remittance must be in the form specified in 43 CFR 3220.4 for a Geothermal Resources bid and 3132.2 for a NPR-A lease bid.
3. Mark envelope Bid for Geothermal Resources Lease in (*Name of the KGRA*) or bid for NPR-A Lease, as appropriate. Be sure correct parcel number of tract on which bid is submitted and date of bid opening are noted plainly on envelope. No bid may be modified or withdrawn unless such modification or withdrawal is received prior to time fixed for opening of bids.
4. Mail or deliver bid to the proper BLM office or place indicated in the *Notice of Competitive Lease Sale*.
5. If bidder is not the sole party in interest in the lease for which bid is submitted, all other parties in interest may be required to furnish evidence of their qualifications upon written request by the authorized officer.

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

(Continued on reverse)

QUALIFICATIONS

For leases that may be issued as a result of this sale under the mineral Leasing Act (The Act) of 1920, as amended, the oral bidder must: (1) Be a citizen of the United States; an association (*including partnerships and trusts*) of such citizens; a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, in oil and gas leases in the State identified do not exceed 256,080 acres each in public domain or acquired lands including acreage covered by this bid, of which not more than 200,000 acres are under options. If this bid is submitted for lands in Alaska, the bidder's holdings in each of the Alaska leasing districts do not exceed 3000,000 acres, of which no more than 200,000 acres are under options in each district; (3) Be in compliance with Federal coal lease holdings as provided in Sec. 2(a)(2)(A) of the Act; (4) Be in compliance with reclamation requirements for all Federal oil and gas holdings as required by sec. 17 of the Act; (5) Not be in violation of sec. 41 of the Act; and (6) Certify that all parties in interest in this bid are in compliance with 43 CFR Groups 3000 and 3100 and the leasing authorities cited herein.

For leases that may be issued as a result of this sale under the Geothermal Steam Act of 1970, as amended, the bidder must: (1) Be a citizen of the United States; an association of such citizens, a municipality; or a corporation organized under the laws of the United States or of any State or Territory thereof; and (2) Be in compliance with acreage limitation requirements wherein the bidder's interests, direct and indirect, do not exceed 51,200 acres; and (3) Certify that all parties in interest in this bid are in compliance with 43 CFR Group 3200 and the leasing authority herein.

For leases that may be issued as a result of this sale under the Department of the Interior Appropriations Act of 1981, the bidder must: (1) Be a citizen or national of the United States; an alien lawfully admitted for permanent residence; a private, public or municipal corporation organized under the laws of the United States or of any State or Territory thereof; an association of such citizens, nationals, resident aliens or private, public or municipal corporations, and (2) Certify that all parties in interest in this bid are in compliance with 43 CFR Part 3130 and the leasing authorities cited herein.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this bid for a Competitive Oil and Gas or Geothermal Resources Lease

AUTHORITY: 30 U.S.C. 181 et seq.; 30 U.S.C. 351-359; 30 U.S.C., 1001-1025; 42 U.S.C. 6508

PRINCIPLE PURPOSE: The information is to be used to process your bid.

ROUTINE USES: (1) The adjudication of the bidder's right to the resources for which this bid is made. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when comment or concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the information is voluntary. If all the information is not provided, your bid may be rejected.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) Requires us to inform you that:

This information is being collected in accordance with 43 CFR 3120, 43 CFR 3130, or 43 CFR 3220
This information will be used to determine the bidder submitting the highest bid.
Response to this request is required to obtain a benefit.

BURDON HOURS STATEMENT

Public reporting burden for this form is estimated to average 2 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management, Paperwork Reduction Project (1004-0074), Washington, D.C. 20503.

ES-001-03/03 ALES 51709 ACQ

Alabama, Perry/Dallas County, Talladega N.F.

T19N, R10E, St. Stephens Meridian

Sec. 1, W2, W2SE, SESE;

Sec. 2, E2NE, S2NW, S2NW, NWSW, NWSE NWNW except 12.17 ac., more particularly described as follows: Beginning at the NE corner of the NWNW, Sec. 2, thence S 20 chs., to the center-line of old road; thence N 59°00' W, 2.00 chs.;

N 35°30' W, 2.00 chs.;

N 27°00' W, 2.00 chs.;

N 16°00' W, 2.00 chs.;

N 21°20' W, 2.00 chs.;

N 26°40' W, 2.00 chs.;

N 15°10' W, 2.00 chs.;

N 33°40' W, 2.00 chs.;

N 30°40' W, 2.00 chs.;

N 34°50' W, 2.00 chs.;

N 30°00' W, 2.00 chs.;

N 21°00' W, 1.40 chs. to section line;

thence

E 11.16 chs. to the point of beginning;

Sec. 3, NENE except 2.70 ac. lying N of a road, and more particularly described as follows: Beginning at the NW Corner of said NENE, go due E 7.90 chs. to centerline of road; thence meandering said road, go S34°0'W, 3.67 chs.; S52°30'W, 2.64 chs.; S76°0'W, 2.17 chs.; S50°0'W, 1.56 chs.; to a point on the W boundary line of NENE; thence due N 5.57 chs. to point of beginning, containing 2.70 ac., more or less; SW except 9.95 ac. lying S and E of a road in the SESW, more particularly described as follows: Begin at the SE Cor. of the SESW, Sec. 3, go due N 15.70 chs. to a point in the centerline of road where road crosses the E boundary of SESW; thence meandering said road, go S23°0'W, 2.60 chs.; S33°15'W, 7.00 chs.; S44°15'W, 5.28 chs.; S46°45'W, 2.98 chs.; S55°0'W, 3.68 chs.; S63°45'W, 1.50 chs. to a point on S boundary line of SESW; thence due E 16.18 chs. to the point of beginning;

10.14 ac. in NE pt. NWNE, being all E of a line beginning at SE Cor. and running straight to midway pt. between NW and NE corner;

Sec. 4, W 12 ac. in W2NE, E2NW, 15.99 acres in NWNW being all said forty lying E of Big Oakmulgee Creek, SWSW, S2SESW, SESE;

Sec. 5, SESE.

1,177.93 Acres

\$2,667.00 Rental

Subject to F.S. Lease Notice No. 3

ES-002-03/03 ALES 51710 ACQ

Alabama, Perry/Dallas County, Talladega N.F.

T19N, R10E, St. Stephens Meridian

Sec. 9, N2, N2SW, W2SWSW, N2SE;

Sec. 11, E2E2, 17.70 acres in the NESW being all of the land lying E of Little Creek and more particularly described as follows: Beginning at the NE Cor. of NESW, Sec. 11, T19N, R10E, thence due S 20.06 chs. to SE Cor. of NESW; thence due W10.60 chs. to the center line of Little Oakmulgee Creek; thence with the meanders of the center line of said creek in a Northeasterly direction 27.92 chs. to the point of intersection with N line of the NESW; thence due E 4.39 chs. to the point of beginning, containing 17.70 acres, more or less; E2SESW, W2SE;

Sec. 12, That part of the NE lying S of a certain valley and branch and W of a road more particularly described as follows: Begin at the NE Cor. of said Sec. 12, go W 40.00 chs. to the NW Cor. of NWNE; thence S 3.33 chs. to centerline of said branch and valley; thence meandering branch and valley go S71°30'E, 3.04 chs.; thence S59°30'E, 2.84 chs.; thence S57°0'E, 4.08 chs.; thence S79°15', 4.53 chs.; thence S68°0'E, 3.57 chs.; thence 64°30'E, 3.11 chs.; thence S57°0'E, 2.27 chs.; thence S52°0'E, 2.46 chs.; thence S51°0'E, 3.64 chs.; thence S62°0'E, 4.10 chs.; thence S57°30'E, 4.46 chs.; thence S67°30'E, 2.61 chs.; thence S55°15'E, 6.75 chs.; to E line of said Sec. 12, thence due S 1.81 chs. to centerline of oald roadbed; thence S20°0'W, 5.81 chs.; thence S3°30'W, 1.99 chs.; thence S11°0'W, 4.59 chs. to a point on the S boundary line of the SENE; thence W 37.09 chs. to SW Cor. of SWNE; thence due N 36.67 chs. to pt. of beginning on Creek, containing 99.97 ac., more or less;

Part of the NE, lying N of a certain valley and branch, being more particularly described as follows: Begging at the NE Cor. of Sec. 12, T19N, R10E, go W 40.00 chs. to NW Cor. of NWNE of said section, thence S 3.33 chs. to a branch and valley; thence with the meanders of said branch and valley go S71°30'E 3.04 chs.; S59°30'E, 2.84 chs.; S57°0'E, 4.53 chs.; S68°0'E, 3.57 chs.; S64°30'E, 3.11 chs.; S57°0'E, 2.27 chs.; S52°0'E, 2.46 chs.; S51°0'E, 3.64 chs.; S62°0'E, 4.10 chs.; S57°30'E, 4.46 chs.; S67°30'E, 2.61 chs.; S55°15'E, 6.75 chs. to the E boundary line of said Sec. 12; thence N 4.32 chs.; thence N30°0'W, 4.50 chs.; thence B4°0'W, 3.00 chs.; thence N17°30'E, 5.45 chs.; thence N 12.00 chs. to point of beginning, containing in all 58.66 ac., more or less.

NW, N2SW, SWSW, NWSE, W2NESE, S2SE;

Sec. 14, Pt. SW lying W of Little Oakmulgee Creek;

Sec. 15, E2SE, NWSE.

1,612.16 Acres

\$2,419.50 Rental

Subject to F.S. Lease Notice No. 3

ES-003-03/03 ALES 51711 ACQ

Alabama, Perry/Dallas County, Talladega N.F.

T19N, R10E, St. Stephens Meridian

Sec. 22, NENE;

Sec. 23, Pt. E2NW lying W of Little Oakmulgee Creek, 24.50 ac., W2NW, E2SW;

Sec. 26, E2NW, SWNW, Pt. SW lying N of Little Oakmulgee Creek, 66.85 ac.

410.21 Acres

\$616.50 Rental

Subject to F.S. Lease Notice No. 3

ES-004 03/03 ALES 51712 ACQ

Alabama, Escambia County, Conecuh N.F.

T1N, R12E, St. Stephens Meridian

Sec. 24, N2NE, SENE, NENW, S2NW, S2.

556.220 Acres

\$835.50 Rental

Subject to F.S. Lease Notice 3 and 4

ES-005 03/03 ALES 51713 ACQ

Alabama, Escambia County, Conecuh N.F.

T1N, R12E, St. Stephens Meridian

Sec. 26, NENW, NWNE, excepting 9.23 ac. quitclaimed to Allen Fuqua, SENE, W2SENW, W2NW, S2.

530.570 Acres

\$796.50 Rental

Subject to F.S. Lease Notice 2, 3 and 4

ES-006- 03/03 ALES 51714 ACQ

Alabama, Escambia County, Conecuh N.F.

T1N, R12E, St. Stephens Meridian

Sec. 27, That part of Tract 10 lying east of Road 22 in Sec. 27;

Sec. 34, 337.87 ac., more or less described as follows: Beginning at the NE corner of Section 34, thence S $1^{\circ} 6'$ E, 67.36 chains; thence S $89-1/4^{\circ}$ W, 40.08 chains; thence north 1.00 chain; thence west 16.67 chains to E boundary of old R/W, thence along E boundary of old railroad R/W N $25-3/4^{\circ}$ E, 10.58 chains, thence N $22-1/4^{\circ}$ E 2.89 chains; thence N $18-1/4^{\circ}$ E, 4.06 chains; thence N $11-3/4^{\circ}$ E, 4.76 chains; thence N $6-1/4^{\circ}$ E, 4.67 chains; thence N $1-1/2^{\circ}$ W, 6.36 chains; thence N $7-1/2^{\circ}$ W, 3.58 chains; thence N $7-3/4^{\circ}$ W, 31.92 chains; thence E 52.00 chains to point of beginning EXCEPT the Alaflora Church lot situated in the NENW, Section 34, more particularly described as follows: Begin at the NW corner of NENW; thence E with the north boundary line thereof a distance of 10.64 chains to a point; thence with the west line of a street S 07° E, 7.76 chains to the point of beginning; thence S 07° E, 4.24 chains to a point; thence N 83° E, 7.73 chains; thence N 07° W, 4.24 chains; thence S 83° W, 7.73 chains to the point of beginning, containing 3.28 acres, more or less;

ES-006-03/03 ALES 51714 Cont.

Sec. 35, All;

Sec. 36, All.
2,010.230 Acres
\$3,016.50 Rental
Subject to F.S. Lease Notice 2, 3 and 4

ES-007-03/03 ALES 51715 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 3, N2, N2SE.
403.200 Acres
\$606.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-008-03/03 ALES 51716 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 8, All;
Sec. 9, E3/4, W2NW.
1,207.100 Acres
\$1,812.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-009-03/03 ALES 51717 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 11, All.
643.600 Acres
\$966.50 Rental
Subject to F.S. Lease Notice 3 and 4

ES-010-03/03 ALES 51718 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 13, N2NW excepting 4.85 ac. quitclaimed to Elmer Beasley on lower
property line;
Sec. 14, SWNE, W2NW, NESE.
233.3100 Acres
\$351.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-011-03/03 ALES 51719 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 18, All.
644.000 Acres
\$966.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-012-03/03 ALES 51720 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 20, All.
642.000 Acres
\$963.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-013-03/03 ALES 51721 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 21, All,
Sec. 22, NENW, W2W2.
839.600 Acres
\$1,260.00 Rental
Subject to F.S. Lease Notice 3 and 4

ES-014-03/03 ALES 51722 ACQ

Alabama, Escambia County, Conecuh N.F.
T1N, R13E, St. Stephens Meridian
Sec. 29, All.
640.000 Acres
\$960.00 Rental
Subject to F.S. Lease Notice 3 and 4

NATIONAL FORESTS IN ALABAMA

LEASE NOTICE NO. 3

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the correct Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

LEASE NOTICE NO. 4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Additional management requirements for the protection of riparian areas are contained in 36 CFR 219.27(e) and the National Forest Resource Management Act of 1976.

All activities within these areas may require special measures to mitigate adverse impacts to the resource values. They must comply with the above referenced executive orders, regulations, laws and be in accordance with the Forest Land and Resource Management Plan guidelines.

Any changes to this stipulation will be made in accordance with the Ouachita National Forest Land and Resource Management Plan, as amended, and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM manual 1624 and 3101 or FS manual 1950 and 2820).

**STIPULATION FOR LANDS OF THE NATIONAL FOREST SYSTEM
UNDER THE JURISDICTION OF DEPARTMENT OF AGRICULTURE**

The lessee/permittee/lessee must comply with all the rules and regulations of the Secretary of Agriculture set forth at Title 36, Chapter II, of the Code of Federal Regulations governing the use and management of the National Forest System (NFS) when not inconsistent with the rights granted by the Secretary of the Interior in the license/prospecting permit/lease. The Secretary of Agriculture's rules and regulations must be complied with for (1) all use and occupancy of the NFS prior to approval of a permit/operation plan by the Secretary of the Interior, (2) uses of all existing improvements, such as Forest development roads, within and outside the area licensed, permitted or leased by the Secretary of the Interior, and (3) use and occupancy of the NFS not authorized by a permit/operating plan approved by the Secretary of the Interior.

All matters related to this stipulation are to be addressed to:

Forest Supervisor, National Forests in Alabama
1765 Highland Avenue
Montgomery, Alabama 36107
Telephone Number: (205) 832-4470

Who is the authorized representative of the Secretary of Agriculture. Forest Supervisor, National Forests in Alabama.

<u>BLM Field Office</u> <u>Management Agency</u>	<u>Surface</u>
Jackson Field Office Service (Region 8) 411 Briarwood Drive, Suite 404 South, Lands and Minerals Jackson, Mississippi 39206 Road, N.W.	USDA, Forest Room 792 1720 Peachtree

ES-015-03/03 ARES 51723 ACQ

Arkansas, Yell County, COE (Blue Mountain Lake)

T5N, R25W, 5th Principal Meridian

Sec. 8, S2.

80.00 Acres

\$120.00 Rental

Subject to COE Stipulations 1 through 25 and BLM Standard Surface Stipulations

CORPS OF ENGINEERS STIPULATIONS

1. That all rights under the lease are subordinate to the rights of the United States to flood and submerge the lands, permanently or intermittently, in connection with the operation and maintenance of projects under the jurisdiction of the Corps of Engineers.
2. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use an operation of the said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee (if an individual), or for damages to the property or injuries to the person of the lessees officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other Governmental activities, and the lessee shall hold the United States harmless from any and all such claims.
3. That the work performed by the lessee on the lands shall be under the general supervision of the District Engineer, Little Rock District, Corps of Engineers, Little Rock, Arkansas, and subject to such conditions and regulations as may be prescribed by him, and the plans and location for all structures, appurtenances thereto, and work on said lands shall be submitted to the said District Engineer for approval in advance of commencement of any work on said lands. The District Engineer, or his representative, shall have the right to enter on the premises at any time to inspect both-the installation and operational activities of the lessee.
4. That no structure or appurtenances thereto shall be of a material or construction determined to create floatable debris.
5. That, in conducting activities on the leased property, the lessee shall comply with all State, Federal, and local laws and codes in regard to air pollution and solid waste disposal.

6. That the lessee shall not encroach upon nor interfere with any areas dedicated to public use activities in the reservoir. The lessee's operations shall not be permitted to create a nuisance to, or to produce detrimental effects on, the public use areas or on the activities of the public and of the concessionaires thereon by reason of the proximity of any structures or installations of the lessees to such public use areas.

7. That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation, and maintenance of the project, together with leasing for agricultural and grazing purposes and other outgrants, and to place improvements thereon and to remove materials therefrom, including sand, gravel, and other construction materials as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work. If the cost of the work performed by the Government at and in connection with the project, including work performed on lands outside the property included in the lease, is made more expensive by reason of improvements constructed on the leased property by the lessee, the lessee shall pay to the United States money in an amount, as estimated by the Chief of Engineers, sufficient to compensate for the additional expense involved.

8. That, if portions of the lands involved in this lease are situated below the top of the flood control pool, lessee should provide for capping of open well holes during periods of inundation.

9. That it is understood and agreed that the lessee will perform restoration of any areas damaged by drilling operations to the satisfaction of the District Engineer or his representative.

10. That the project Resident Engineer/Manager shall be notified of the location and date of any drilling to be performed. The final approval on the location and alignment of any access roads into the lease area must be granted by the District Engineer or his representative.

11. That no drilling or any other exploration or development activities will be permitted within the limits of a developed or future park or the Corps of Engineers administrative office area. If roads within a park area are used by lessee for ingress to or egress from the leased area, said roads shall be maintained and repaired by lessee to the satisfaction of the Resident Engineer/Manager. All areas within 2,000 feet of any major structure, including but not limited to the dam, spillway, or embankment, are restricted areas. The lessee, his operators, agents, or employees shall not utilize the surface of restricted areas for any purpose. Drilling operations in, on, or under the restricted areas, including drilling outside of the restricted areas which would cause a bore hole to be under the restricted areas, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming a part of a drilling unit, so that the United States will share in the royalty of the unit.

12. That, if during lease operations, lessee plans to construct any structure or place any fill or pollutant material below the ordinary high water mark elevation, a Section 10 and/or Section 404 Department of the Army permit must be obtained from the District Engineer before the work is commenced.

13. Platform drilling over water areas is prohibited.

14. The Resident Manager and District Engineer will be notified in writing before any equipment is moved onto a drill location and before any clearing or site preparation is begun. The exact location of all proposed drill locations will be made known to the District Engineer 15 days before the site is disturbed in any way.

15. That the lessee agrees to pay the Government or tenant of the Government, as the case may be, for damages or injury to livestock, crops, forage, trees, pipelines, buildings, or other real property or improvements belonging to either the Government or said tenant on the leased land.

16. A site preparation and vegetation removal plan must be submitted to the District Engineer for approval 7 days prior to moving onto the site. The numbers, locations, size, and species of trees to be removed for access roads and work areas must be shown. Method of disposal of vegetation must be approved. Size of sumps and a general equipment layout must be shown. A description of the methods to be used during site preparation and sump or pond construction to minimize or eliminate turbidity in the lake caused by runoff from the construction site will be included.

17. Sump or pond size and construction will be adequate to contain all drill cutting, drilling mud, and other debris from the drilling operation. Dikes will be constructed so as to preclude breaching during heavy inflows from torrential rains or other sources.

18. If internal combustion engines are used, such as diesel generators, light planes, trucks, etc., they will be equipped with proper mufflers at all times, and waste products from their operation, such as used oil from oil changes and filters, will be disposed of properly as required by State and Federal laws.

19. Any waste water from the drilling operation will meet Arkansas Department of Environmental Quality requirements on water quality before it is discharged into the lake.

20. The route for any pipeline or collection system must be submitted to the District Engineer for approval 60 days before any work begins. Any structure or piping system remaining at the site upon completion of drilling must have the approval of the District Engineer.

21. After the drilling operation is completed, all equipment and debris, such as old cable, cans, and steel plates, must be removed from the site and the ground leveled. Drill cuttings, drill mud, and other wastes will be disposed of off of Government property and all ponds, slush pits, and similar facilities will be filled, leveled, and otherwise restored as closely as possible to the original condition of the property. All nonproductive wells will be plugged with cement in a manner approved by the Arkansas Oil and Gas Commission.

22. All disturbed areas, after leveling, will be seeded with an adaptive ground cover, and trees and flowering shrubs native to the area will be planted over the area, as required by the District Engineer. The seed will be protected by mulching, or other satisfactory methods, until a vegetative cover is established.

23. That within the limits of their respective legal powers, the parties hereto shall protect the premises against pollution of its air ground and water. The lessee shall comply with any laws, regulations, conditions, or instructions affecting the activity hereby authorized if and when issued by the Environmental Protection Agency, or any Federal, state, interstate or local government agency having jurisdiction to abate or prevent pollution. The disposal of any toxic or hazardous materials within the premises is specifically prohibited. Such regulations, conditions, or instructions in effect or prescribed by the said Environmental Protection Agency, or any Federal, state, interstate or local governmental agency are hereby made a condition of this lease. The grantee shall not discharge waste or effluent from the premises in such a manner that the discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

24. That it is understood that this instrument is effective only insofar as the rights of the United States in the said property are concerned; and that the lessee shall obtain permission as may be necessary on account of any other existing rights. It is further understood that the Government does not warrant title or the accuracy of the descriptions provided in the lease.

25. A copy of the pre-lease site-specific Supplement to the Southern States Regional Oil and Gas EAR No. 61-923-5-30, the Protective Stipulations, and a signed copy of the Finding of No Significant Impact (FONSI), prepared for the Bureau of Land Management (BLM), should be furnished to the District Engineer, U.S. Army Engineer District, Little Rock, Arkansas.

BUREAU OF LAND MANAGEMENT
STANDARD SURFACE REQUIREMENTS MINERAL EXPLORATION AND
RECOVERY ON FEE LANDS

- a. As determined by the District Engineer or his authorized representative, the Grantee will be required to post a cash deposit or performance bond prior to granting approval of the drilling request.
- b. The Grantee shall obtain all necessary permits prior to beginning work and that, in conducting activities on the leased property, the Grantee shall comply with all Federal, State, and local laws and codes in regard to environmental protection.
- c. The perimeter of the drill site and access road will be surveyed and flagged by the Grantee. The Grantee shall not cut any trees without prior approval of the District Engineer or his authorized representative. All timber will be disposed of to the satisfaction of the District Engineer or his authorized representative.
- d. An on-site meeting with representatives of the Grantee, the construction contractor, and the District Engineer or his authorized representative shall be held not less than two (2) weeks prior to beginning construction on project land.
- e. The blooie/reserve pit will be built so that no surface runoff from outside the wall of the pit enters the pit. Water shall never be allowed to fill the pit any higher than within two vertical feet of the lowest point of the wall.
- f. The blooie/reserve pit must be lined with a liner approved of by the Arkansas Department of Pollution Control and Ecology (ADEQ), and the liner must be removed from the pit and disposed of in accordance with ADEQ regulations.
- g. The grantee shall ensure that all drilling fluids are removed from the reserve pit and disposed of at a site approved by ADEQ; that after drilling fluids in the reserve pit are tested using Method 1311, Toxic Characteristics Leachate Process, required by the Environmental Protection Agency to analyze the solidification of the reserve pit, the grantee will send a copy of the results to Corps of Engineers, ATTN: Chief, Real Estate Division, P.O. Box 867, Little Rock, Arkansas 72203-0867. Upon receipt of the analysis, the grantee will be contacted about restoring the reserve pit.
- h. The road width will be determined on case by case basis. Waterbars, culverts, and drainage ditches should be constructed as necessary along the access road. The access road should parallel the project boundary. Traffic control devices and road construction materials will be approved to the satisfaction of the District Engineer or his authorized representative. If the well is a producing well the entire length of the road shall be SB2 or equivalent.

- i. Any Government boundary monuments or posts, if disturbed or destroyed by road or pad construction, will be replaced or restored to the satisfaction of the District Engineer or his authorized representative.
- j. Precautions should be taken to protect all drilling and production equipment from short and long term water inundation. An evacuation plan should be developed for evacuating the site and removing equipment and the drilling fluids from the reserve pit in the event of inundation.
- k. Water for the drilling operation shall not be taken from project sources without District approval of the applicant's written request.
- l. if the well is a producer, the drill pad should be reduced to a minimal size. Care should be given to installing pumping equipment that emits minimal noise. If noise levels are excessive, corrective actions will need to be taken.
- m. All wells on Government-owned land must be marked with a sign stating the well name and number and name, address, and telephone number of the Grantee as well as an emergency contact telephone number.
- n. In the event the location is abandoned for any reason or the drilling activity results in a non-producer, the well site shall be restored to its approximate original contour within 30 days after abandonment. Reclamation of the site will include removal of the production pad and revegetating of all disturbed areas. The roadway route shall be restored to its original contour and a vehicle barrier may be necessary at a point designated by the District Engineer or his authorized representative. All non-productive wells will be plugged as required in General Rule B of the Arkansas Oil & Gas Commission.
- o. The Grantee agrees to complete all restoration requirements pertaining to vegetative ground cover, tree seedlings, fertilizers and survivability rates as prescribed by the District Engineer or his authorized representative.
- p. All water intake hose, refuse and debris will be removed from the site upon completion of construction.
- q. The Grantee agrees to pay the Government or tenant of the Government, as the case may be, for damages or injury to livestock, crops, forage, trees, pipelines, buildings, or other real property or improvements belonging to either the Government or said tenant on the leased land.
- r. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use and operation of the said premises, or for damages to the property of the Grantee, or for injuries to the person of the Grantee (if an individual), or for damages to the property or injuries to the person of the Grantee's officers, agents, servants, or employees, or others who may be on said premises at their invitation or the invitation of any one of-them, arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other Governmental activities, and the Grantee shall hold the United States harmless from any and all such claims.

ES-016-03/03 FLES 51724 ACQ

Florida, Okaloosa County, Elgin AFB

T2N, R24W, Tallahassee Meridian

Sec. 11, All South of River (640.00 ac.);

Sec. 20, All (640.00 ac.);

Sec. 21, W2 (320.00 ac.).

1,600.00 Acres

\$2,400.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-017-03/03 FLES 51725 ACQ

Florida, Okaloosa County, Elgin AFB

T2N, R25W, Tallahassee Meridian

Sec. 13, All South of River (231.80 ac.);

Sec. 14, All South of River (166.54 ac.);

Sec. 23, All;

Sec. 24, All.

1,768.34 Acres

2,653.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

LEASE STIPULATION

NO SURFACE OR SUB-SURFACE OCCUPANCY

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management (BLM) as a “NOL” nomination, i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the BLM prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Therefore, for the lands described by the location described below, “No Occupancy (surface or sub-surface)” is allowed under the terms of this lease.

Location: Florida, Okaloosa County, Elgin AFB
T2N, R24W, Tallahassee Meridian
Sec. 11, All South of River (560.00 ac.)
Sec. 20, All (640.00 ac.)
Sec. 21, W2 (320.00 ac.)
T2N, R25W, Tallahassee Meridian
Sec. 13, All South of River (231.80 ac.)
Sec. 14, All South of River (166.54 ac.)
Sec. 23, All
Sec. 24, All

Waiver: None

The record title holder may file a written relinquishment, in the proper BLM office, for all or a portion of the lease, (43 CFR 3108.1). a relinquishment shall take effect on the date it is filed. The lease portion relinquished can be re-nominated by the applicant requesting surface occupancy. The BLM would prepare a Planning Analysis/Environmental Assessment (PA/EA) addressing Reasonable Foreseeable Development and potential impacts on natural, cultural and socioeconomic resources as applicable. Upon conclusion of the PA/EA process, the designated lands would be offered for lease under the BLM’s competitive bidding process.

Exception: None

Modification: None

LEASE NOTICE

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with those lands described above.

ES-018-03/03 LAES 51726 ACQ

Louisiana, Caldwell Parish, BLM

T13N, R3E, Louisiana Meridian

Sec. 2, W2NW, NESW;

Sec. 14, S2SE;

Sec. 24, NWSW.

239.47 Acres

\$360.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-019-03/03 LAES 51728 ACQ

Louisiana, Caldwell Parish, BLM

T14N, R4E, Louisiana Meridian

Tract 1: Beginning the NW corner of Section 19, T14N, R4E; thence South 1 degree 22 minutes West, 333.4 feet along the township line between Sections 19 and 24, to the NW corner of the tract marked by a 2 ½ inch iron pipe set in the ground; thence South 1 degree 22 minutes West, 24 Feet to a 2 ½ inch iron pipe set in the ground; thence South 51 degrees 40 minutes East, 463.5 feet to intersection with the left or West bank of Ouachita River; thence down the left (West) bank of said river North 27 degrees 23 minutes East, 300 feet, North 32 degrees 41 minutes East, 526 feet, North 59 degrees 45 minutes East, 300 feet, North 46 degrees 07 minutes East, 104.2 feet; thence North 51 degrees 40 minutes West, 625 feet to a 2 ½ inch iron pipe set in the ground; thence South 38 degrees 20 minutes West, 1002.5 feet, closing on NW corner of tract; the area of said being 14.96 acres more or less.

Tract 2: Beginning at the NW corner of Section 19, T14N, R4E; thence South 1 degree 22 minutes West, 2574.4 feet, along the township line between Sections 24 and 19 to a 2 ½ inch iron pipe set in the ground; thence South 51 degrees 40 minutes East, 463.5 feet to a 1 inch iron pipe set in the ground at intersection of left or West bank of Ouachita River; thence across said river south 51 degrees 40 minutes East, 612.1 feet to the SW corner of the tract, marked by a 1 inch iron pipe set in the ground, situated on the right or East bank of Ouachita River; thence South 51 degrees 40 minutes East, 419 feet to a 2 ½ inch iron pipe set in the ground; thence North 38 degrees 20 minutes East, 1200 feet to a 2 ½ inch iron pipe set in the ground; thence North 51 degrees 40 minutes West, 461 feet to intersection with right or East bank of Ouachita River; thence up East or right bank of Ouachita River South 70 degrees 58 minutes West. 100 feet, South 41 degrees 51 minutes West, 382.2 feet, South 30 degrees 42 minutes West, 359 feet; thence South 27 degrees 39 minutes West, 390 feet, closing on point of beginning at SW corner of tract; the area of said tract being 13.74 acres more or less.

Tract 3: Beginning at the original upper back corner of Section 44, T14N, R4E, and running along the upper side line North 89 degrees 40 minutes West, 40 chains 15

links to the PLACE OF BEGINNING PROPER: thence continuing along the upper side line, 74 chains 27 links, to the Eastern boundary of the Mo.P.R.R.; thence along the Eastern boundary of said Railroad South 13 degrees West 21 chains 70 links, to the corner of Watt's 100 acre tract; thence running East along Watts upper side line 73 chains 32 links; thence North 13 degrees East 22 chains 23 links to the place of beginning proper, and enclosing 160 acres, in Section 44, T14N, 4E, situated in Caldwell Parish, Louisiana.

ALSO: Beginning at the original upper back corner of Section 44, T14N, R4E, and running along the upper side line North 89 degrees 40 minutes West, 114 chains

2 links, to an iron post corner set in the right-of-way of the Mo.P.R.R., western boundary, the PLACE OF BEGINNING PROPER: thence continuing along the upper side line, 4 chains 92 links, to the bank of the Ouachita River, set iron post; thence down the Ouachita River, left bank South 26 degrees 30 minutes West, 6 chains 6 links, South 23 degrees 30 minutes West, 3 chains 3 links, South 12 degrees East, 2 chains 49 links, South 39 degrees West, 5 chains 62 links, South 28 degrees West, 7 chains 26 links, South 31 degrees 30 minutes West, 5 chains 8 links, South 23 degrees West, 2 chains 98 links South 4 degrees 15 minutes East, 2 chains 12 links, to the lower front corner of said Section 44; thence along the lower side line of Section 44, South 89 degrees 45 minutes East, 13 chains 1 link, to an iron post set in the right-of-way of the Mo.P.R.R., West boundary; thence along the Western boundary of said railroad, North 13 degrees East, 31 chains 20 links to the iron post the place of beginning proper, and enclosing 33 acres of land, two (2) acres of which is School Land, making 31 acres of land, net, in Section 44, T14N, R4E, situated in Caldwell Parish, Louisiana.

LESS AND EXCEPT THE FOLLOWING PARCELS IN TRACT 3:

(A) Beginning at the Upper Front corner of the lot now owned by Isaac McKeithen, and marked "A" in plat for identification, and running North 89 degrees 40 minutes East along center of 16 foot lane, at 15 chains 25 links, set iron post for corner marked "B"; thence running South 13 degrees West across McKeithen lot, at 6 chains 55 links, set iron post in fence line which is the lower side of McKeithen lot; thence running along fence line South 89 degrees 40 minutes West, 15 chains 25 links, set iron post at corner marked "D", which is the lower front corner of the McKeithen lot; thence running along the Eastern boundary of Highway No. 165, 6 chains 55 links to iron post marked "A", the place of beginning proper, enclosing 10 acres of land more or less in Section 44, T14N, R4E.

(B) A tract of land lying West of the Missouri Pacific Railroad in Section 44,

T14N, R4E, Caldwell Parish, Louisiana, more particularly described as follows:

Starting at the SE corner of Section 20, on the North of line of said Section 44;

thence running North 89 degrees 40 minutes West along the North line of said

Section 44, a distance of 7543.61 feet to the West right-of-way of the Missouri Pacific Railroad Company; thence South 11 degrees 35 minutes West along said West right-of-way, a distance of 293.3 feet to the POINT OF BEGINNING; thence continuing South 11 degrees 35 minutes West along said West right-of-way line, a distance of 118.6 feet; thence North 79 degrees 36 minutes West, a distance of 503.0 feet to the East right-of-way line of the Ouachita River levee; thence North 75 degrees 00 minutes West, a distance of 175.0 feet to the East bank of the Ouachita River; thence North 33 degrees 57 minutes West, a distance

of 487.4 feet; thence North 22 degrees 11 minutes East, a distance of 602.4 feet to

the SW corner of school exception; thence South 89 degrees 40 minutes East

along the South line of said school exception, a distance of 384.7 feet to the POINT OF BEGINNING containing, after deduction of right-of-way for levee, 8.033 acres, more or less.

(C) A tract of land lying East of the Missouri Pacific Railroad in Section 44, T14N, R4E, Caldwell Parish, Louisiana, more particularly described as follows: Starting at the SE corner of Section 20, on the North line of said Section 44; thence North 89 degrees 40 minutes West along the North line of said Section 44, a distance of 2524.2 feet to the POINT OF BEGINNING; thence South 14 degrees 17 minutes West, a distance of 500.69 feet; thence North 89 degrees 25 minutes West, a distance of 4890.46 feet to the East right-of-way line of the Missouri Pacific Railroad Company; thence North 11 degrees 35 minutes East along said East right-of-way line, a distance of 480.6 feet to the North line of said Section 44; thence South 89 degrees 40 minutes East along said North line a distance of 4917.45 feet to the POINT OF BEGINNING; containing, after deduction of rights-of-way for roads, 49.248 acres, more or less.

152.419 Acres

\$229.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-020-03/03 LAES 51729 PD

Louisiana, De Soto Parish, BLM

T12N, R11W, Louisiana Meridian

Sec. 10, W2SW.

80.00 Acres

\$120.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-021-03/03 LAES 51730 PD

Louisiana, De Soto Parish, BLM
T11N, R14W, Louisiana Meridian
Sec. 22, NENW.

40.40 Acres

\$61.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

BLM LEASE STIPULATION

NO SURFACE OR SUB-SURFACE OCCUPANCY

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management (BLM) as a “NOL” nomination, i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the BLM prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Therefore, for the lands described by the location described below, “No Occupancy (surface or sub-surface)” is allowed under the terms of this lease.

Location: Entire Lease

Waiver: None

The record title holder may file a written relinquishment, in the proper BLM office, for all or a portion of the lease, (43 CFR 3108.1). a relinquishment shall take effect on the date it is filed. The lease portion relinquished can be re-nominated by the applicant requesting surface occupancy. The BLM would prepare a Planning Analysis/Environmental Assessment (PA/EA) addressing Reasonable Foreseeable Development and potential impacts on natural, cultural and socioeconomic resources as applicable. Upon conclusion of the PA/EA process, the designated lands would be offered for lease under the BLM’s competitive bidding process.

Exception: None

Modification: None

LEASE NOTICE

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with those lands described above.

ES-022-03/03 MSES 51731 ACQ

Mississippi, Wayne County, BLM
T7N, R8W, St. Stephens Meridian
Sec. 34, N2SESW.

20.00 Acres

\$30.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-023-03/03/MSES 51732 ACQ

Mississippi, Wayne County, BLM
T7N, R9W, St. Stephens Meridian
Sec. 3, NWNW;

Sec. 4, NENE.

80.50 Acres

\$121.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-024-03/03 MSES 51733 PD

Mississippi, Hancock County, BLM
T7S, R14W, St. Stephens Meridian
Sec. 31, S2 of Lot 4.

42.04 Acres

\$64.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-025-03/03 MSES 51734 PD

Mississippi, Monroe County, BLM
T13S, R17W, Huntsville Meridian
Sec. 22, SESE.

40.40 Acres

\$61.50 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-026-03/03 MSES 51735 PD

Mississippi, Monroe County, BLM
T13S, R17W, Huntsville Meridian
Sec. 8, SENW;

Sec. 10, NWSW;

Sec. 15, SESW.

160.00 Acres

\$240.00 Rental

Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-027-03/03 MSES 51736 ACQ

Mississippi, Jefferson County, BLM

T17N, R18W, St. Stephens Meridian
Sec. 11, NWSW, SESW less 8 acres in SW corner thereof, W 17.5 acres of SWSE.
(50% U.S. Minerals)
89.50 Acres
\$135.00 Rental
Subject to BLM No Surface or Subsurface Occupancy Stipulation

ES-028-03/03 MSES 51737 ACQ

Mississippi, Monroe County, COE
T14S, R19W, Huntsville Meridian
Sec. 15, Lots 2, 3, 4 and 5.
320.50 Acres
\$481.50 Rental
Subject to BLM No Surface or Subsurface Occupancy Stipulation and Corps of Engineers
Special Conditions Stipulations

BLM LEASE STIPULATION
NO SURFACE OR SUB-SURFACE OCCUPANCY

This parcel was nominated for leasing on the premise that development of the State spacing would occur so that any well drilled or associated surface use would not be located on the Federal lands described below. Such a nomination is referred to by the Bureau of Land Management (BLM) as a “NOL” nomination, i.e., a “no occupancy lease” nomination. With such a NOL nomination to consider, the BLM prepares its environmental assessment (EA) based on a Proposed Action of “no occupancy (surface or subsurface)”.

Location: Entire Lease

Waiver: None

The record title holder may file a written relinquishment, in the proper BLM office, for all or a portion of the lease, (43 CFR 3108.1). a relinquishment shall take effect on the date it is filed. The lease portion relinquished can be re-nominated by the applicant requesting surface occupancy. The BLM would prepare a Planning Analysis/Environmental Assessment (PA/EA) addressing Reasonable Foreseeable Development and potential impacts on natural, cultural and socioeconomic resources as applicable. Upon conclusion of the PA/EA process, the designated lands would be offered for lease under the BLM’s competitive bidding process.

Exception: None

Modification: None

Lease Notice

This lease does not obviate the need to obtain other Federal, State or local authorization required by law for any wells drilled or for any related surface disturbance that is proposed on lands pooled with lands described above.

COE SPECIAL CONDITIONS STIPULATIONS

1. That all rights under this lease are subordinate to the rights of the United States to flood and submerge the lands permanently or intermittently in connection with the operations and maintenance of Tennessee-Tombigbee Waterway Wildlife Mitigation Project, MS - Tract 113
2. That the lessee shall not enter upon the surface of the leased lands at any time for the purpose of mining, drilling, or searching for oil or gas or the storage thereof and shall not construct any structure on nor alter the surface of the leased lands in any manner whatsoever.
3. All areas within 2,000 feet of any major structure, including, but not limited to the dam, spillway, or embankment are restricted areas. Directional drilling operations from outside of the restricted areas which would cause a bore hole to be under the restricted areas, will not be permitted. The restricted areas are included in the lease for the sole purpose of becoming a part of a drilling unit so that the United States will share in the royalty of the unit.
4. That the United States reserves the right to use the land jointly with the lessee in connection with the construction, operation and maintenance of the Government's projects and to place improvements thereon, and to remove materials therefrom, including sand and gravel and other construction material, as may be necessary in connection with such work, and the lessee shall not interfere in any manner with such work or do any act which may increase the cost of performing such work.
5. That the United States shall not be responsible for damages to property or injuries to persons which may arise from or be incident to the use and occupation of said premises, or for damages to the property of the lessee, or for injuries to the person of the lessee (in an individual), or for damages to the property or injuries to the person of the lessee's officers, agents, servants, or employees or others who may be on said premises at their invitation or the invitation of any one of them arising from or incident to the flooding of the said premises by the Government or flooding from any other cause, or arising from or incident to any other Governmental activities; and the lessee shall hold the United States harmless from any and all such claims. The provisions of the Condition shall not apply to such claims as are cognizable under the Federal Tort Claims Act, as amended.
6. To address all matters relating to these special conditions to:
District Engineer
U.S. Army Engineer District, Mobile
P.O. Box 2288
Mobile, Alabama 36628

who is the authorized representative of the Department of the Army, or to such other representatives as may from time to time be designated, provided that such designations shall be in writing and delivered to the lessee or his agent.

ES-029-03/03 MSES 51738 ACQ

Mississippi, Franklin County, Homochitto N.F.

T6N, R2E, Washington Meridian

Sec. 37, N2NE, SENE.

116.52 Acres

\$175.50 Rental

Subject to F.S. Timing Limitation Stipulation No. 1 and Lease Notice Nos. 3 and 4

ES-030-03/03 MSES 51739 ACQ

Mississippi, Wayne County, DeSoto N.F.

T6N, R8W, St. Stephens Meridian

Sec. 36, E2 less a 2.5 acre exception in the NENE, NENW, S2NW, SW.

597.50 Acres

\$897.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-031-03/03 MSES 51740 ACQ

Mississippi, Wayne County, DeSoto N.F.

T7N, R8W, St. Stephens Meridian

Sec. 13, SW.

159.62 Acres

\$240.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-032-03/03 MSES 51741 ACQ

Mississippi, Wayne County, DeSoto N.F.

T7N, R8W, St. Stephens Meridian

Sec. 36, E2, N2NW, SENW, NESW, S2SW.

559.13 Acres

\$840.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-033-00/03 MSES 51742 ACQ

Mississippi, Forrest County, DeSoto N.F.

T1S, R13W, St. Stephens Meridian

Sec. 21, All;

Sec. 22, E2, E2NW, W2SW, SESW.

1,163.52 Acres

\$1,746.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-034-00/03 MSES 51743 ACQ

Mississippi, Choctaw County, Tombigbee N.F.

T16N, R11E, Choctaw Meridian

Sec. 10, NE, N2NW less 10 acres West of MS Hwy 15, described as : Beginning at the NW corner of Sec. 10, running East 60 feet to the West boundary of said highway, thence southward along said boundary line to the quarter section line, thence West 660 feet, thence North 1,320 feet to point of beginning, S2NW less that part described as: Beginning at SW corner of NW, run East 805 feet to west side ROW MS Hwy 15, thence N 7° 8' W along west side ROW 1,335.8 feet to North boundary line S2NW thence West 633.5 feet to West boundary Sec. 10, thence South 1,325.2 feet to point of beginning; S2 less that part of W2SW lying & being west of the center line of MS Hwy 15, described as: Beginning at the southwest corner of Sec. 10, a concrete monument, Corner 1, thence North 12.855 chains to a concrete monument, Corner 2, thence East 7.07 chains to a concrete monument, Corner 3, thence North 7.07 chains to a concrete monument, Corner 4, thence West 7.07 chains to a concrete monument, Corner 5, thence North 19.925 chains to a concrete monument, Corner 6, thence East 12.89 chains to a point in the center line of MS Hwy 15, a metal spike, Corner 7, thence along the center line of said Highway S 8° 08' E 40.26 chains to a point on the South line of Sec. 10, a metal spike, Corner 8, thence West 18.59 chains to point of beginning, and containing 57.72 acres.

544.18 Acres

\$817.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-035-00/03 MSES 51744 ACQ

Mississippi, Choctaw County, Tombigbee N.F.

T16N, R11E, Choctaw Meridian

Sec. 11, NE, All of the land lying East of the Noxubee River in the NENW, W2NW, SENW, NWSW, W2NESW, W1/4SESW, SWSW, E2SE, SWSE, N 10 acres NWSE except 2 acres off the west end thereof.

530.12 Acres

\$796.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-036-00/03 MSES 51745 ACQ

Mississippi, Choctaw County, Tombigbee N.F.

T16N, R11E, Choctaw Meridian

Sec. 12, NE, S2NW less East 30 acres, SW, W2SE.

460.31 Acres

\$691.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-037-00/03 MSES 51746 ACQ

Mississippi, Choctaw County, Tombigbee N.F.
T16N, R11E, Choctaw Meridian
Sec. 13, W2NE, N2NW, SENW, S2.
535.78 Acres
\$804.00 Rental
Subject to F.S. Lease Notice Nos. 3 and 4

ES-038-00/03 MSES 51747 ACQ

Mississippi, Choctaw County, Tombigbee N.F.
T16N, R11E, Choctaw Meridian
Sec. 14, NWNE, N2NW, N2SWNW, W3/4SENW.
173.01 Acres
\$261.00 Rental
Subject to F.S. Lease Notice Nos. 3 and 4

ES-039-00/03 MSES 51748 ACQ

Mississippi, Choctaw County, Tombigbee N.F.
T16N, R11E, Choctaw Meridian
Sec. 15, NE, E2NW less 4.00 acres described as: Beginning at NW corner of SENW, running South 1,320 feet to SW corner said SENW, thence East 185 feet to public Hwy 15, thence northward along said highway to North line of SENW, thence west 50 feet to point of beginning.
239.69 Acres
\$360.00 Rental
Subject to F.S. Lease Notice Nos. 3 and 4

ES-040-00/03 MSES 51749 ACQ

Mississippi, Choctaw County, Tombigbee N.F.
T16N, R11E, Choctaw Meridian
Sec. 22, SESE.
40.28 Acres
\$61.50 Rental
Subject to F.S. Lease Notice Nos. 3 and 4

ES-041-00/03 MSES 51750 ACQ

Mississippi, Choctaw County, Tombigbee N.F.
T16N, R11E, Choctaw Meridian
Sec. 25, E2, W2NW, SENW, N2SW, SESW, SWSWSW, E2SWSW.
609.58 Acres
\$915.00 Rental
Subject to F.S. Lease Notice Nos. 3 and 4

ES-042-00/03 MSES 51751 ACQ

Mississippi, Choctaw County, Tombigbee N.F.

T16N, R11E, Choctaw Meridian

Sec. 26, E2, E2SW, SENW, N2NW less 0.08 acre described as: Commence at the Southwest corner of the NWNW of Sec. 26, said corner being marked by a 6" x 6" concrete monument extending 6" above the ground, with a brass cap in the top stamped A-111, thence N 00° 34' 34" E 784.80 feet, thence East 120.90 feet to corner #1 and the point of beginning, corner #1 is also at a fence corner being the Southwest corner of the Larkin Tarrant Turner Cemetery, thence N 08° 22' 51" E 83.27 feet to corner #2, at a fence corner, thence S 81° 16' 28" E 39.86 feet to corner #3, at a fence corner, thence S 08° 21' 58" W 83.27 feet to corner #4, thence N 81° 16' 28" W 39.88 feet to corner #1 the point of beginning.

522.52 Acres

\$784.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-043-03/03 MSES 51752 ACQ

Mississippi, Winston County, Tombigbee N.F.

T15N, R12E, Choctaw Meridian

Sec. 4, N2NW.

83.94 Acres

\$126.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-044-03/03 MSES 51753 ACQ

Mississippi, Winston County, Tombigbee N.F.

T15N, R12E, Choctaw Meridian

Sec. 5, N2NE, SWNE, NW, N2SW;

Sec. 6, NE, N2SE.

625.05 Acres

\$939.00 Rental

Subject to F.S. No Occupancy Stipulation No. 2 and Lease Notice Nos. 3 and 4

ES-045-03/03 MSES 51754 ACQ

Mississippi, Winston County, Tombigbee N.F.

T15N, R12E, Choctaw Meridian

Sec. 8 SWSW.

40.04 Acres

\$61.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-046-03/03 MSES 51755 ACQ

Mississippi, Winston County, Tombigbee N.F.

T15N, R12E, Choctaw Meridian

Sec. 9, Tract T-1027a.

98.36 Acres

\$148.50 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2 and Lease Notice Nos. 3 and 4

ES-047-03/03 MSES 51756 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 19, N2NE, SENE, N2NW, SWNW, E2SE.

314.48 Acres

\$472.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-048-03/03 MSES 51757 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 20, All.

640.32 Acres

\$961.50 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-049-03/03 MSES 51758 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 28, W2NW, N2SW, SWSW.

199.74 Acres

\$300.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-050-03/03 MSES 51759 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 29, NENE, E2NWNE, W2NW, W2SENE, SW, NESE, S2SE.

439.49 Acres

\$660.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-051-03/03 MSES 51760 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 30, All less 3.00 acres in the NW corner of SESE in form of a square for Little Rock Church;

629.84 Acres

\$945.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

ES-052-03/03 MSES 51761 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 31, N2, E2SW, SE;

Sec. 32, W2, NE less 2.00 acres for Noxubee Hill Baptist Church Cemetery described as:

Beginning at SE corner of said E2NE, running North 1,138 feet, thence West 306 feet to Eastern corner of said cemetery for POB, thence N 54° W along road for 4.47

chains,

thence S 36° W 4.47 chains, thence S 54° E 4.47 chains, thence N 36° E 4.47 chains to

point of beginning.

1,036.75 Acres

\$2,055.00 Rental

Subject to F.S. No Surface Occupancy Stipulation No. 2 and Lease Notice Nos. 3 and 4

ES-053-03/03 MSES 51762 ACQ

Mississippi, Winston County, Tombigbee N.F.

T16N, R12E, Choctaw Meridian

Sec. 33, NENE, N2SENE, W2, SESE.

419.58 Acres

\$630.00 Rental

Subject to F.S. Lease Notice Nos. 3 and 4

NATIONAL FORESTS IN MISSISSIPPI

NO SURFACE OCCUPANCY STIPULATION NO. 2

No surface occupancy or use is allowed on the lands described below:

T15N, R12E, Choctaw Meridian

Sec. 5: Part of the NW lying West of Road 956-E and part N2SW

Sec. 6: Part of N2NE lying East of Road 971-2 and part SENE

For the purpose of:

Protection of the Noxubee Research Natural Area. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NATIONAL FORESTS IN MISSISSIPPI

NO SURFACE OCCUPANCY STIPULATION NO. 2

No surface occupancy or use is allowed on the lands described below:

T16N, R12E, Choctaw Meridian

Sec. 31: Part of the NWNE, SWNE, SENE, NENW, SENW, NWSE, and SWSE;
All of E2SE

Sec. 32: Part of NESW, All of SWSW.

For the purpose of:

Protection of the Noxubee Research Natural Area. Land and Resource Management Plan, National Forests in Mississippi, as amended, 9/85.

Any changes to this stipulation will be made in accordance with the land use plan and/or the regulatory provisions for such changes. (For guidance on the use of this stipulation, see BLM Manual 1624 and 3101 or FS Manual 1950 and 2820.)

NATIONAL FORESTS IN MISSISSIPPI

LEASE NOTICE NO. 3

All or part of the leased lands may contain animal or plant species classified under the Endangered Species Act of 1973, as amended. Other species may have been identified as sensitive in accordance with Forest Service Manual 2670 and be listed on the correct Regional Forester's List of Sensitive Plant and Animal Species. Further information concerning the classification of these species may be obtained from the authorized Forest Officer.

Exploration and development proposals may be limited or modifications required if activity is planned within the boundaries of a threatened, endangered or sensitive plant or animal species location as it then exists. All activities within these areas must be conducted in accordance with existing laws, regulations and the Forest Land and Resource Management Plan guidelines.

LEASE NOTICE NO. 4

All or part of the leased lands may be classified as wetlands in accordance with Executive Order 11990, "Protection of Wetlands" or a floodplain in accordance with Executive Order No. 11988, "Floodplain Management." Further information concerning the classification of these lands may be obtained from the authorized Forest office.

All activities within these areas must be conducted in a manner to minimize adverse impacts to the resource values and in accordance with the Forest Land and Resource Management Plan guidelines.

ES-054-12/02 WVES 51763 ACQ

West Virginia, Tucker County, Monongehela N.F.

Tracts 87d, 87e, 133c, 198, 276b and 295b.

1,464.18 Acres

\$2,197.50 Rental

Subject to F.S. Special Notification No. 1 and Special Notification No. 21 (Horseshoe Run, Hile Run and Lick Drain). Tract 198 is committed to Communitization Agreement WVES 51606.

Successful bidder must submit Joinder Agreement.

ES-055-12/02 WVES 51764 ACQ

West Virginia, Tucker County, Monongehela N.F.

Tracts 87dd, 276 and a portion of 87

2,083.74 Acres

\$3,126.00 Rental

Subject to F.S. Special Notification No. 1, Stipulation No. 11 to November 1, and Special Notification No. 21 (Horseshoe Run, Maxwell Run and Mike Run). Tract 87-dd is committed to Communitization Agreement WVES 51606. Successful bidder must submit Joinder Agreement.

ES-056-12/02 WVES 51765 ACQ

West Virginia, Tucker County, Monongehela N.F.

Tracts 87I, 87ii, 133L, 133M and 530.

1,628.42 Acres

\$2,443.50 Rental

Subject to F.S. Special Notification No. 1 and Special Notification No. 21 (Maxwell Run, Mill Run and Dry Run)

ES-057-12/02 WVES 51766 ACQ

West Virginia, Tucker County, Monongehela N.F.

Tracts 8k, portion of 87, 87 III, 87f, 87g, 133d, 133e, 133f, 242b, 253, 255, 255a, 638g and 638h.

2,369.76 Acres

\$3,555.00 Rental

Subject to F.S. Special Notification No. 1 and Special Notification No. 21 (Hile Run, Mill Run, Bonifield Run, Little Mill Run, Minear Run, Roaring Run and Mike Run)

ES-058-12/02 WVES 51767 ACQ

West Virginia, Tucker County, Monongehela N.F.

Tracts 5c, 5d, 87 IV, 87a, 87a1, 87a2, 87b, 133, 133a, 254, 621 and 695.

2,398.53 Acres

\$3,598.50 Rental

Subject to F.S. Special Notification No. 1 and Special Notification No 21 (Dry Run – above Horseshoe Run, Mike Run and Horseshoe Run)

ES-059-12/02 WVES 51768 ACQ

West Virginia, Pendleton County, Monongehela N.F.

A portion of Tract 38b.

2,147.319 acres

\$3,222.00 Rental

Subject to F.S. Special Notification No. 1 and Special Notification No. 21 (Cold Spring Run, Hemlock Run, Big Run and Sawmill Run)

ES-060-12/02 WVES 51769 ACQ *WVBLMA 037310

West Virginia, Pendleton County, Monongehela N.F.

A portion of Tract 38b.

2,185.64 Acres

\$3,279.00 Rental

Subject to F.S. Special Notification No. 1, Special Notification No. 21 (Elk Run, Big Run, Teeter Camp Run, and Hemlock Run) and Special Notification No. 23 (928.00 acres)

LEASE NOTICE

Tracts 87-dd and 198 are located within an existing Communitization Agreement, WVES 51606. The communitized area contains unleased Federal lands. The United States reserves the right to offer any unleased Federal lands within the communitized area for competitive bidding in accordance with existing Federal laws and regulations. Any Federal lease offered for these lands will require the successful bidder to submit a joinder, acceptable in the sole opinion of the communitization agreement operator, before the Federal lease is issued. The effective date of the Federal lease will be the first day of the month following issuance of the lease. The responsibility for successful negotiations between the Federal successful bidder and all non-Federal parties involved in this communitization agreement will rest solely with the Federal successful bidder and the non-Federal parties. A Federal lease will not be issued if the successful bidder and the non-Federal parties do not come to terms on monetary settlements necessary to effect joinder to this agreement.